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Class. Change

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Date: 29/9/76

Deputy Director

Executive for AAM

31 October 1947

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Revolving Fund for Unvouchered Activities

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1. Reference your first comment on the attached routing slip, I believe we should accept the written signature of [REDACTED] on the face of the memo to the Projects Review Committee dated 15 October as approval of the Assistant Director for Operations to this project.

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2. Comments of the Chief, Budget and Finance Branch, which have been concurred in by the General Counsel, are attached. The General Counsel would like to explain personally to the Projects Review Committee what he means by feeling that security requirements should be the only basis for the use of unvouchered funds.

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3. Two separate items of expense are involved in the request [REDACTED]

a. Request for reallocation of entertainment funds, the total amount of which has previously been approved. No additional funds are required for this purpose.

b. An additional request for \$8,600 for a revolving fund for miscellaneous items, including local travel, which is additional funds not previously approved, and estimated for a six months' period only.

4. a. The recommendation of the Chief, Budget and Finance Branch, to finance a given percentage of field office operations from unvouchered funds would provide a broad and simple administrative directive for handling this problem without further reference to the Projects Review Committee or the Director. I am willing to concur in this recommendation, however, only if a specific recommendation is presented with a general breakdown within the estimate so that the board and the Director will have a reasonable idea as to the amount of funds being used on an unvouchered basis.

b. Questions raised, such as the necessity for the use of taxis and how essential it is to provide cover in connection with local travel, can be taken care of in very specific administrative instructions relative to the administration of unvouchered funds by field office chiefs after the principle of their use has been established. Such instructions should be prepared by the budget officer in collaboration with the General Counsel, and approved by my office prior to issuance.

5. Recommend that we return these papers to the Assistant Director for Operations to have the project resubmitted on the basis indicated in paragraph 4a above.

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